PARTNERS
V3 NEW ELIGIBILITY SYSTEM

Project Status Update

The Health Plan Administration System (HPAS) Project is progressing very well. The Project Set-Up and Discovery phases are completed and we are well into the Solutions Design phase. Solutions Statements, documents that provide a broad overview of future business processes, are completed and the Implementation Team began work on the Design Specifications in early July. The Design Specifications will be used by the solutions analysts from Vitech to communicate to the programmers the "customized" features of the application necessary to meet SHBP's business rules. Although the Department is, so to speak, buying an "off-the-shelf" application, there are still over 300 of these specifications to be written, reviewed, and accepted.

The Implementation Team, following completion of the Conference Room Pilot (CRP) in early May, has had access to the HPAS prototype of the V3 application. This application has been updated weekly and provides team members with the opportunity to "play in our own sandbox". This provides the team with a valuable common framework for reference that facilitates discussion during Design Specification development. Additionally, by the end of July the team will be able to view some converted member and dependent data in another instance of V3.

Although not directly related to this project, SHBP is in the process of procuring a new third party administrator (TPA)/preferred provider organization (PPO). This effort, like HPAS, is projected to go-live early in the 2006 calendar year. The Department is in the process of coordinating the timing of these and other procurements so as to insure mutual success on all projects while providing the Department the best return on dollars invested.

Ongoing Efforts to
"Clean Up" SHBP Eligibility Data in MEMS

As many of you are already aware, the State Health Benefit Plan has been working very hard to "clean up" the data in the current Eligibility System – MEMS. A big effort that contributed to the clean-up was the dependent audit project. Every State Health Benefit Plan member has had to submit documentation to verify that their dependents are eligible for coverage. About 30,000 spouses and children have had their coverage dropped as a result of the audit. The savings from this audit are estimated to be about $30 million.

Other activities that will be occurring before the roll-out of V3 include: verifying payment is received for coverage provided by the SHBP, on-going verification of dependents when they enroll for coverage, and scrubbing and cleansing the data prior to conversion to the new system. The SHBP appreciates your help in all of these efforts so that when the new V3 system goes live, the data will be up to date and in good shape!

Emphasis on Timeliness of Web-based Transaction

Because V3 HPAS is a "rules based system," timeliness of transactions will be determined by the system. HPAS will calculate the 31-day election window by taking the date that you, or your employee, go onto the Web to request the transaction and the actual date of the event. The comparison of those two dates in the system will either allow the transaction to proceed or it will display a notice that the action is not timely and, therefore, is denied. In the past, the date the form was signed was used as the date of request.

Remember: shortly after HPAS is implemented, SHBP will reject paper forms and return them to the payroll location for processing. If your employees continue to fill out forms instead of going onto the Web to enroll or change coverage elections, the responsibility for timely entry in HPAS and the "date of request" will be the date that you go into the web to enter the transaction, NOT the date they signed the paper form. It becomes your responsibility to assure the employee's request is not denied.[1]

Processing of a Mid-Year Qualifying Event

The July issue described the V3 HPAS processing of a new employee. This issue will describe the processing of a mid-year qualifying event that could result in a change in coverage. As you know, HIPAA and IRS regulations define very specific qualifying events and time constraints under which employees are allowed to change their health insurance election outside the annual open enrollment period. The qualifying events adopted by the SHBP are spelled out in the Board of Community Health regulations. These regulations can be found at www.dch.georgia.gov in section 111-4-1-.06.

The V3 HPAS system is defined as a "rules based system". This means the SHBP rules and regulations that govern qualifying events will be built into the system's logic so the system will determine if the employee's transaction can be allowed.

HPAS will offer benefit eligible employees, or the employer acting on behalf of an employee, a menu of qualifying events from which to choose. Remember: if you accept paper forms from your employees, you also accept the responsibility for timely entry of them in V3 HPAS.[2] Having made a choice on the menu the employee will be asked the date the qualifying event will or did occur. HPAS will then determine whether the current date is within the 31-day qualifying event request window.

If the current date is outside that window, HPAS will advise the employee that their request is denied because it is not timely. The denial will be displayed in letter format and the employee will be able to print the screen document for their personal records. Paper copies of these Web-based denied action notices will not be mailed to employees. Therefore, if you are acting on behalf of the employee, you should print the screen document for your employee's records.

If the current date is within the 31-day window, the system will go through a series of edits to ensure all information specific to the chosen event that can be entered in the web-based application is entered. If the employee is not currently enrolled in coverage, HPAS business rules for the selected event will determine whether the employee is eligible to enroll. If the employee is currently enrolled or eligible to enroll, HPAS will ask the employee to add, update or remove dependents. HPAS will determine whether the listed dependents have been validated previously. Remember: the dependents opted-in to coverage determine the coverage tier.[3] All dependent eligibility must be validated before dependent coverage is activated.[4] If the business rules allow a change of coverage option, HPAS will display a list of the available options from which the employee will choose.

Then the employee will see a summary and acknowledgement of his health coverage transaction. The acknowledgement will include a confirmation number, information about the status of dependents, the type of documentation required to verify dependent eligibility, the type of documentation required to verify a qualifying event has occurred, and the deadlines for SHBP receipt of any required documentation. If SHBP does not receive required documentation within the timeframe stated in the acknowledgement, the employee's coverage will revert to the prior coverage election.

HPAS will send the payroll location a daily e-mail notification that changes in payroll deductions are required whenever employee requested coverage changes are processed and whenever coverage reverses to a prior election. When you receive the e-mail notification, a summary of these changes will be available to you for download to paper or electronic file. The next monthly billing statement will reflect the required deduction amount or credit for reversal. Until the coverage is reconciled to a payroll deduction, the new coverage record is not sent to the health insurance vendors which means no one is able to use the coverage.[5]

New!
V3 HPAS Web Site

The V3 HPAS site is now available for new system information and updates. You may visit the site at dch.georgia.gov/shbp_hpas. Also, thanks to everyone who completed the payroll location survey emailed on June 29, 2005. The information will be very helpful in our project planning process. If you did not complete the survey but would still like to submit your information, please contact Patti Polk at ppolk@dch.state.ga.us.

(Endnotes)
[1] Also see July 2005 Partners
[2] Also see July 2005 Partners
[3] Also see June 2005 Partners
[4] Also see July 2005 Partners
[5] Also see July 2005 Partners

STATE HEALTH BENEFIT PLAN

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